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Message Text

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PAGE 01 MANILA 03474 200403Z

54
ACTION EB-07

INFO OCT-01 EUR-12 EA-06 ISO-00 ARA-06 FMC-01 NEA-09 /042 W
---------- 005728
R 200311Z MAR 75
FM AMEMBASSY MANILA
TO AMEMBASSY BONN
AMEMBASSY BRUSSELS
AMEMBASSY CANBERRA
AMEMBASSY COPENHAGEN
AMEMBASSY THE HAGUE
AMEMBASSY LONDON
AMEMBASSY MONROVIA
AMEMBASSY OSLO
AMEMBASSY PANAMA
AMEMBASSY PARIS
AMEMBASSY ROME
AMEMBASSY STOCKHOLM
AMEMBASSY HELSINKI
AMEMBASSY ATHENS
UFHBS/USMISSION EC BRUSSELS
USMISSION OECD PARIS
INFO SECSTATE WASHDC 1482

LIMITED OFFICIAL USE MANILA 3474

E.O. 11652: N/A
TAGS: EEWT, EWWT, ETRD, RP
SUBJECT: GOP ENCOURAGES USE OF PHILIPPINE SHIPS

REF: STATE 061624

FOLLOWING SENT ACTION SECSTATE INFO TOKYO 19 MAR
REPEATED FOR YOUR ACTION/INFO

QUOTE MANILA 3474

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REF: MANILA 2937 AND 3041; MANILA A-84

1. DISCUSSIONS WITH BRITISH, GERMAN, DANISH AND JAPANESE EMBASSY OFFICERS CONFIRM THAT REPRESENTATIVES OF THESE SECOND AND THIRD NATION FLAG COUNTRIES CONSIDER PRESIDENTIAL DECREE NO. 667 AS DISCRIMINATORY, HAVE REPORTED GOP MOVE AS SUCH, AND ARE NOW AWAITING INSTRUCTIONS FROM THEIR FOREIGN OFFICES. LOCAL AGENTS OR REPRESENTATIVES OF SHIPPING LINES INVOLVED SUCH AS HAPAG LLOYD, MAERSK, SCANDUTCH, EAST ASIATIC, BEN LINE, GLEN LINE AND BLUE FUNNEL ARE ALSO CONSULTING WITH THEIR PRINCIPALS.

2. IN GENERAL, NEW GOP POLICY IN ALLOWING SUBSTANTIAL TAX ADVANTAGE TO SHIPPERS USING PHILIPPINE BOTTOMS IS NOT CONSIDERED A THREAT AT PRESENT BUT COULD WELL BECOME A SERIOUS MATTER IF LEFT UNCHALLENGED. PHILIPPINE OCEAN-GOING TONNAGE IS INSIGNIFICANT. THERE ARE ONLY TEN TO TWELVE PHILIPPINE SHIP SAILINGS ANNUALLY TO EUROPE. FOR SERVICE TO THE UNITED STATES, LINER SERVICE IS CONTAINERIZED AS DEMANDED BY END-USERS, AND PHILIPPINES DO NOT HAVE TRUE CONTAINER CAPABILITY AT THIS TIME. PHILIPPINES EXPORTS TO JAPAN ARE BULK CARGO, MOST OF WHICH ARE SOLD ON F.O.B. BASIS AND JAPANESE BUYERS ARRANGE FOR SHIPPING ON WHATEVER FLAG VESSEL IS AVAILABLE AND CHEAPEST. FOR SUCH SHIPMENTS PD 667 DOES NOT APPEAR TO PLAY SIGNIFICANT ROLE. FYI. ATLAS COPPER CONCENTRATES HAVE BEEN SHIPPED FOR SOME TIME EXCLUSIVELY ON PHILIPPINE SHIPS. END FYI

3. PD 667, HOWEVER, WOULD ENCOURAGE GREATER DEMAND FOR PHILIP-PINE SHIPPING SPACE AND HENCE INDUCE INVESTMENTS IN PHILIPPINE SHIPPING. INDEED, HAPAG LLOYD HAS REPORTED IT HWPWCHPWPBLLY CONCERNED AND AS INDICATION OF THEIR FRAME OF MIND THEY HAVE REPEATED STORIES THAT GERMAN EMBASSY HAS PROTESTED TO GOP (NOT TRUE) AND THAT NON-RESIDENT DANISH AMBASSADOR COINCI-DENTALLY HERE ON VISIT HAS ALSO PROTESTED (ALSO NOT TRUE). AGENTS REALIZE THAT MATTER WILL HAVE TO BE TAKEN UP EVEN-TUALLY THROUGH DIPLOMATIC CHANNELS, AND A FEW WOULD LIKE TO HURRY UP THIS DEVELOPMENT.
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NNN

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Message Attributes

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Draft Date: 20 MAR 1975
Decaption Date: 01 JAN 1960
Decaption Note:
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Disposition Approved on Date:
Disposition Authority: GolinoFR
Disposition Case Number: n/a
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Disposition Date: 28 MAY 2004
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EO Systematic Review
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TAGS: EEWT, EWWT, ETRD, RP
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